Illegal transfer of money from India to Foreign banks

890. SHRIMATI KAMLA SINHA: Will the Minister of FINANCE be pleased to state:

(a) what, according to the assessment, if any, made by Government is the illegal transfer of money from the countdy to foreign banks annually;

(b) what is the modus operandi;

(c) what are the names of the foreign banks identified by Governmen$_t$ where money is transferred, illegally;

(d) whether Government have asked/ propose to ask the foreign bank$_s$ to relax secrecy laws for transparent global banking system; and

(e) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (e) The information is being collected and will be laid on the Table of the House.

Attracting private investment in the country

891. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether as per a recent International Finance Corporation (IFC) Report, India has attracted higher than the average Private Investment (PI) in South Asia;

(b) if so, the details thereof; and

(c) what measures Government propose to take to encourage further Private Investment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir.

(b) During the financial year ended June, 1992, IFC invested an amount of US $ 256 million in South Asia. Out of this, the share of India was US $ 220 million.

(c) Liberalisation is an ongoing and continuous process. Government proposes to further pursue the path of liberalization in order to encourage further private investment.

Shipment of weapons by ISI of Pakistan

@892. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Pakistan's Inter Services Intelligence has shipped a huge consignment of automatic weapons for Indian shore through syndicate operating both in United Arab Emirates and Bombay; and

(b) if so, the details thereof and steps proposed to be taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRA SHEKHAR MURTHY): (a) and (b) Hon'ble Member is presumably, referring to some Press reports indicating that Pakistan's Inter Services Intelligence has organised smuggling of arms into India with the help of some smuggling syndicates by effecting clandestine landings on the West Coast, especially in or around Bombay. However, available reports do not indicate such landings of firearms.

@Previously unstarred question 202, transferred from 24th Feb. 1993.